



**Request for City Council Committee Action
From the Office of Intergovernmental Relations
Office of Grants and Special Projects**

Date: August 7, 2003

To: Community Development Committee

Referral to: Ways and Means Committee

Subject: Submission of Predevelopment Grants funded by the Family Housing fund and the Minneapolis Foundation.

Recommendation: To approve the submission of six applications from the City of Minneapolis for Predevelopment Funding. This program is funded by the Family Housing fund and the Minneapolis Foundation. Applications are being processed by the Metropolitan Council

Previous Directives: None

Prepared or Submitted by: Gaynell Schandel, Manager, Grants and Special Projects (612) 673-2001

Approved by: John Moir, City Coordinator_____

Presenters in Committee: Gaynell Schandel, Manager, Grants and Special Projects

Financial Impact (Check those that apply)

- ☒ No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- ☐ Action requires an appropriation increase to the Capital Budget
- ☐ Action requires an appropriation increase to the Operating Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☐ Other financial impact (Explain):
- ☐ Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information Attached

The Family Housing Fund and the Minneapolis Foundation are collaborating with the Metropolitan Council to provide one-time funding for Predevelopment Grants. \$300,000 is available to assist reinvestment activities that support housing production. Plans for production need to be complete but necessary support to implement the plan is not available. This initiative builds on the regional reinvestment strategy that encourages redevelopment, infill and adaptive reuse. Funded elements must directly contribute to the implementation of an eligible reinvestment project and include the following:

- Soft costs and professional services such as legal, title, financial analysis, architectural and engineering design, project management, modeling and mapping, tax credit fees, marketing and advertising, survey fees, inspections, appraisals and environmental testing.
- Cost associated with securing other funding sources and preparing other grant proposals, except grant proposals for Metropolitan Council programs. Average awards are expected to be from \$30,000-\$50,000.

Minneapolis is submitting six proposals for a total of \$270,000. The project descriptions are as follow:

Agape Child Development Center-Oasis of Love and Welsh Development, LLC is requesting \$45,000. Funds will be used for legal/design fees and holding costs. The development will be a mixed used, transit-oriented development with 12 units of housing affordable at 30%-60% of median metropolitan income and 190 slots for 24-hour childcare.

5238 and 5248 Minnehaha Avenue-The Minneapolis Urban League Development Company, LLC is requesting \$40,000 to pay for soil testing and environmental assessments, design, title searches and a market study. The proposed development will include twelve units of rental townhomes. These units are also replacement units for the Minneapolis Public Housing Authority as required by the Hollman Consent Decree.

Karamu West-The Northside Residents Redevelopment Council is requesting \$45,000. Funding will be used for legal and design fees. Karamu West is a mixed income, mixed use, pedestrian-friendly community with ten for sale townhomes, 32 condominiums and 9,000 square feet of commercial space.

Lowell School-Project for Pride in Living is requesting \$50,000. Funding will be used to contract with consultants to perform environmental and geotechnical tests on the site, to develop detailed site plans and hire a surveyor. The Lowell School Site will include 14 new, owner-occupied, single family homes.

Nicollet Hotel Block Project-The MCDA is requesting \$50,000 to pay for activities such as appraisals, engineering studies, environmental assessments, legal/title work and professional services. The development objectives call for a mixed use, transit oriented development including an underground terminal for Metropolitan Transit and the Downtown Circulator bus and up to 300 housing units.

3254 Stinson Boulevard-The Minneapolis Urban League Development Company, LLC is requesting \$40,000 to pay for soil testing and environmental assessments, design, title searches and a market study. The proposed development is a four-unit townhome structure as replacement units for the Minneapolis Public Housing Authority as required by the Hollman Consent Decree.

Applications will be ranked by the Metropolitan Council based on how well they address or incorporate the following selection criteria, as applicable to the site or project.

- Project readiness and level of commitment-Community has completed a comprehensive plan and the application provides evidence of political commitment to the project.
- Planned Outcomes of the Project Development-Mixed use development with a balance of components, delivers reinvestment and revitalization, and considers existing infrastructure.
- Action/Process to Facilitate Project Development-Uses effective planning or regulatory tools and techniques to overcome barriers to redevelopment.

Applications are due at the Metropolitan Council on September 15, 2003.